



**STATE OF WASHINGTON
DEPARTMENT OF LABOR AND INDUSTRIES**

Retrospective Rating Program • PO Box 44180 • Olympia, Washington • 98504-4180
<http://www.Lni.wa.gov/retro/>

DATE: August 28, 2001

TO: Retro Advisory Committee

FROM: Frank Romero (Chair), Retro Program Manager

SUBJECT: Minutes of August 14, 2001 retro advisory committee meeting

Frank Romero called the meeting to order at approximately 1:06 PM; it was moved, seconded and carried to accept the minutes of the previous meeting as distributed.

Frank reviewed the proposed agenda, and introduced new committee members **Jan Marie Ferrell** (City of Shelton) and **Karol Kersh** (Funtastic Rides). Along with another new member who was absent, **Sharon Tucker** (Olympic Ambulance Service), they represent individual retro participants on the committee.

Georgia Moran (program manager for Insurance Services) briefly discussed the 15-day vocational dispute period. She distributed a copy of department guidelines on this, and explained that it applies to claims where workers are ineligible for further vocational services. Ms. Moran also explained plans for the formation of a claims unit for occupational hearing loss claims only. The hearing loss claims will be transferred from retrospective rating to this new unit once it has become operational. She then discussed the time-loss duration initiative; the department is working on an accountability system that measures resolution rates for claims, using the criteria of claim re-openings, protests, and claim allowance. This system is currently in the planning stages.

Craig Lowe (claim appeals program manager and staff attorney) presented information on claim appeals. The appeals rate has increased by 50 percent in the past four years; of these appeals, approximately 80 percent go to the Board of Industrial Insurance Appeals (BIIA), with the remaining 20 percent being reassumed by the department. He said that Cockle is being applied only to those claims that demonstrate a 'change in circumstance'.

Committee member **Lauren Gubbe** (Associated General Contractors) brought up the fact that many times union workers are credited with 'banked hours' by their union hall, which increased the difficulty in calculating their benefits accurately. **Juanita Perry** (claims ops manager) said that claim managers have been instructed to contact the worker and /or their union for the necessary information.

Frank Romero discussed the proposed changes to the Washington Administrative Code (WAC) governing the retrospective rating program. If adopted, these changes would become effective January 1, 2002:

- Membership list change – subject of a superior court lawsuit. Labor and Industries agrees with the business community that the list should be of members that want to participate in retro and not the associations complete membership list.
- Industry/business group table – add new categories for the Restaurant Association, Washington Food Industry and Neighborhood Stores.
- Apportionment of claim costs – formalize current methodology as a Rule. Methods used in retro need to mirror those in the rating system. Without a rule the courts could establish a methodology in conflict with the rating system.

Audience member **John Meier** (Employer Resources Northwest) commented that employers do not know they are being considered for apportionment of liability on occupational disease claims until after the decision has been made by the department. It would be of great help to employers to receive notification before hand, as they may be able to assist the department in apportioning liability by providing additional information.

Ken Woehl (classification services) discussed the proposed changes to the 2002 rates, and some changes to the drywall classifications. They recently held six informal meetings around the state in June to solicit comments and suggestions. Public hearing have been scheduled for October 29 in Spokane and November 2, in Tumwater.

Good of the order – The committee has decided not to produce a retro symposium at the upcoming Governor's Industrial Safety & Health Conference in Seattle. **Suggestions for future agenda items:** Discussion of demonstration projects and their impact on retro; the status of WISHA safety & health grant program; and, the vacant retro coordinator position in L&I's Tacoma office.

Meeting was adjourned at 3:13 PM.

The next meeting will begin at 1:00 PM Tuesday, October 9, 2001.